

1 AN ACT concerning elections.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Election Code is amended by changing Section
5 9-35 as follows:

6 (10 ILCS 5/9-35)

7 Sec. 9-35. Registration of business entities.

8 (a) This Section governs the procedures for the
9 registration required under Section 20-160 of the Illinois
10 Procurement Code.

11 For the purposes of this Section, the terms "officeholder",
12 "State contract", "business entity", "State agency",
13 "affiliated entity", and "affiliated person" have the meanings
14 ascribed to those terms in Section 50-37 of the Illinois
15 Procurement Code.

16 (b) Registration under Section 20-160 of the Illinois
17 Procurement Code, and any changes to that registration, must be
18 made electronically, and the ~~The~~ State Board of Elections by
19 rule shall provide for electronic registration; except that the
20 State Board may adopt emergency rules providing for a temporary
21 filing system, effective through August 1, 2009, under which
22 business entities must file the required registration forms
23 provided by the Board via e-mail attachment in a PDF file or

1 via another type of mail service and must receive from the
2 State Board registration certificates via e-mail or paper
3 registration certificates. The State Board shall retain the
4 registrations submitted by business entities via e-mail or
5 another type of mail service for at least 6 months following
6 the establishment of the electronic registration system
7 required by this subsection.

8 Each registration, ~~which~~ must contain substantially the
9 following:

10 (1) The name and address of the business entity.

11 (2) The name and address of any affiliated entity of
12 the business entity, including a description of the
13 affiliation.

14 (3) The name and address of any affiliated person of
15 the business entity, including a description of the
16 affiliation.

17 (c) The Board shall provide a certificate of registration
18 to the business entity. The certificate shall be electronic,
19 except as otherwise provided in this Section, and accessible to
20 the business entity through the State Board of Elections'
21 website and protected by a password. Within 60 days after
22 establishment of the electronic system, each business entity
23 that submitted a registration via e-mail attachment or paper
24 copy pursuant to this Section shall re-submit its registration
25 electronically. At the time of re-submission, the State Board
26 of Elections shall provide an electronic certificate of

1 registration to that business entity.

2 (d) Any business entity required to register under Section
3 20-160 of the Illinois Procurement Code shall provide a copy of
4 the registration certificate, by first class mail or hand
5 delivery within 10 days after registration, to each affiliated
6 entity or affiliated person whose identity is required to be
7 disclosed. Failure to provide notice to an affiliated entity or
8 affiliated person is a business offense for which the business
9 entity is subject to a fine not to exceed \$1,001.

10 (e) In addition to any penalty under Section 20-160 of the
11 Illinois Procurement Code, intentional, willful, or material
12 failure to disclose information required for registration is
13 subject to a civil penalty imposed by the State Board of
14 Elections. The State Board shall impose a civil penalty of
15 \$1,000 per business day for failure to update a registration.

16 (f) Any business entity required to register under Section
17 20-160 of the Illinois Procurement Code shall notify any
18 political committee to which it makes a contribution, at the
19 time of the contribution, that the business entity is
20 registered with the State Board of Elections under Section
21 20-160 of the Illinois Procurement Code. Any affiliated entity
22 or affiliated person of a business entity required to register
23 under Section 20-160 of the Illinois Procurement Code shall
24 notify any political committee to which it makes a contribution
25 that it is affiliated with a business entity registered with
26 the State Board of Elections under Section 20-160 of the

1 Illinois Procurement Code.

2 (g) The State Board of Elections on its official website
3 shall have a searchable database containing (i) all information
4 required to be submitted to the Board under Section 20-160 of
5 the Illinois Procurement Code and (ii) all reports filed under
6 this Article with the State Board of Elections by all political
7 committees. For the purposes of databases maintained by the
8 State Board of Elections, "searchable" means able to search by
9 "political committee", as defined in this Article, and by
10 "officeholder", "State agency", "business entity", "affiliated
11 entity", and "affiliated person". The Board shall not place the
12 name of a minor child on the website. However, the Board shall
13 provide a link to all contributions made by anyone reporting
14 the same residential address as any affiliated person. In
15 addition, the State Board of Elections on its official website
16 shall provide an electronic connection to any searchable
17 database of State contracts maintained by the Comptroller,
18 searchable by business entity.

19 (h) The State Board of Elections shall have rulemaking
20 authority to implement this Section.

21 (Source: P.A. 95-971, eff. 1-1-09.)

22 Section 10. The Illinois Procurement Code is amended by
23 changing Section 50-37 as follows:

24 (30 ILCS 500/50-37)

1 Sec. 50-37. Prohibition of political contributions.

2 (a) As used in this Section:

3 The terms "contract", "State contract", and "contract
4 with a State agency" each mean any contract, as defined in
5 this Code, between a business entity and a State agency let
6 or awarded pursuant to this Code. The terms "contract",
7 "State contract", and "contract with a State agency" do not
8 include cost reimbursement contracts; purchase of care
9 agreements as defined in Section 1-15.68 of this Code;
10 contracts for projects eligible for full or partial
11 federal-aid funding reimbursements authorized by the
12 Federal Highway Administration; grants, including but are
13 not limited to grants for job training or transportation;
14 and grants, loans, or tax credit agreements for economic
15 development purposes.

16 "Contribution" means a contribution as defined in
17 Section 9-1.4 of the Election Code.

18 "Declared candidate" means a person who has filed a
19 statement of candidacy and petition for nomination or
20 election in the principal office of the State Board of
21 Elections.

22 "State agency" means and includes all boards,
23 commissions, agencies, institutions, authorities, and
24 bodies politic and corporate of the State, created by or in
25 accordance with the Illinois Constitution or State
26 statute, of the executive branch of State government and

1 does include colleges, universities, public employee
2 retirement systems, and institutions under the
3 jurisdiction of the governing boards of the University of
4 Illinois, Southern Illinois University, Illinois State
5 University, Eastern Illinois University, Northern Illinois
6 University, Western Illinois University, Chicago State
7 University, Governors State University, Northeastern
8 Illinois University, and the Illinois Board of Higher
9 Education.

10 "Officeholder" means the Governor, Lieutenant
11 Governor, Attorney General, Secretary of State,
12 Comptroller, or Treasurer. The Governor shall be
13 considered the officeholder responsible for awarding all
14 contracts by all officers and employees of, and vendors and
15 others doing business with, executive branch State
16 agencies under the jurisdiction of the Executive Ethics
17 Commission and not within the jurisdiction of the Attorney
18 General, the Secretary of State, the Comptroller, or the
19 Treasurer.

20 "Sponsoring entity" means a sponsoring entity as
21 defined in Section 9-3 of the Election Code.

22 "Affiliated person" means (i) any person with any
23 ownership interest or distributive share of the bidding or
24 contracting business entity in excess of 7.5%, (ii)
25 executive employees of the bidding or contracting business
26 entity, and (iii) the spouse and minor children of any such

1 persons.

2 "Affiliated entity" means (i) any subsidiary of the
3 bidding or contracting business entity, (ii) any member of
4 the same unitary business group, (iii) any organization
5 recognized by the United States Internal Revenue Service as
6 a tax-exempt organization described in Section 501(c) of
7 the Internal Revenue Code of 1986 (or any successor
8 provision of federal tax law) established by the bidding or
9 contracting business entity, any affiliated entity of that
10 business entity, or any affiliated person of that business
11 entity, or (iv) any political committee for which the
12 bidding or contracting business entity, or any 501(c)
13 organization described in item (iii) related to that
14 business entity, is the sponsoring entity.

15 "Business entity" means any entity doing business for
16 profit, whether organized as a corporation, partnership,
17 sole proprietorship, limited liability company or
18 partnership, or otherwise.

19 "Executive employee" means the President, Chairman,
20 Chief Executive Officer, or other employee with executive
21 decision-making authority over the long-term and
22 day-to-day affairs of the entity employing the employee, or
23 an employee whose compensation is determined directly, in
24 whole or in part, by the award or payment of contracts by a
25 State agency to the entity employing the employee.

26 (b) Any business entity whose contracts with State

1 agencies, in the aggregate, annually total more than \$50,000,
2 and any affiliated entities or affiliated persons of such
3 business entity, are prohibited from making any contributions
4 to any political committees established to promote the
5 candidacy of (i) the officeholder responsible for awarding the
6 contracts or (ii) any other declared candidate for that office.
7 This prohibition shall be effective for the duration of the
8 term of office of the incumbent officeholder awarding the
9 contracts or for a period of 2 years following the expiration
10 or termination of the contracts, whichever is longer.

11 (c) Any business entity whose aggregate pending bids and
12 proposals on State contracts total more than \$50,000, or whose
13 aggregate pending bids and proposals on State contracts
14 combined with the business entity's aggregate annual total
15 value of State contracts exceed \$50,000, and any affiliated
16 entities or affiliated persons of such business entity, are
17 prohibited from making any contributions to any political
18 committee established to promote the candidacy of the
19 officeholder responsible for awarding the contract on which the
20 business entity has submitted a bid or proposal during the
21 period beginning on the date the invitation for bids or request
22 for proposals is issued and ending on the day after the date
23 the contract is awarded.

24 (d) All contracts between State agencies and a business
25 entity that violate subsection (b) or (c) shall be voidable
26 under Section 50-60. If a business entity violates subsection

1 (b) 3 or more times within a 36-month period, then all
2 contracts between State agencies and that business entity shall
3 be void, and that business entity shall not bid or respond to
4 any invitation to bid or request for proposals from any State
5 agency or otherwise enter into any contract with any State
6 agency for 3 years from the date of the last violation. A
7 notice of each violation and the penalty imposed shall be
8 published in both the Procurement Bulletin and the Illinois
9 Register.

10 (e) Any political committee that has received a
11 contribution in violation of subsection (b) or (c) shall pay an
12 amount equal to the value of the contribution to the State no
13 more than 30 days after notice of the violation concerning the
14 contribution appears in the Illinois Register. Payments
15 received by the State pursuant to this subsection shall be
16 deposited into the general revenue fund.

17 (Source: P.A. 95-971, eff. 1-1-09.)

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.